

SUBJECT:	VISION 2020 – ECONOMIC GROWTH PROGRESS REPORT
DIRECTORATE:	DIRECTORATE OF MAJOR DEVELOPMENTS
REPORT AUTHOR:	GILL WILSON – PRINCIPAL DEVELOPMENT OFFICER

1. Purpose of Report

- 1.1 To provide Performance Scrutiny Committee with an update on progress towards the *Let's drive economic growth* strategic priority in Vision 2020.

2. Executive Summary

- 2.1 This report focuses on progress made on the *Let's drive economic growth* strategic priority since the last report in July 2017. It covers both those projects being progressed as part of the second phase of delivery, along with the 'day to day' service activities that happen across the council that are vital to the delivery of this priority.

3. Background

- 3.1 Vision 2020 was published in January 2017, and contains four strategic priorities (*Let's reduce inequality; Let's drive economic growth; Let's deliver quality housing; and Let's enhance our remarkable place*), along with an important strand of work focusing on *High performing service delivery*.
- 3.2 As part of the arrangements for managing and monitoring progress of Vision 2020, the council established four Vision Groups along with a High Performing Services Board, each with a Corporate Management Team lead.
- 3.3 It has been agreed that Performance Scrutiny Committee will receive a report each quarter from one of these Vision Groups to enable them to look in more detail at the progress of that Vision Group's work programme. This is the first of this year's reports, and focuses on the work of the Economic Growth Vision Group.
- 3.4 The Economic Growth Vision Group leads on delivering the council's aspirations under the *Let's drive economic growth* strategic priority. These are;
- Let's build a strong, viable and prosperous future for Lincoln
 - Let's help businesses prosper
 - Let's create a culture of innovation
 - Let's attract investment
 - Let's make things happen
- 3.5 In addition to all the 'day to day' services the council offers which are central to the delivery of these aspirations, a programme has been developed to ensure the

delivery of this strategic priority.

4. Position Statement (Appendix A)

- 4.1 The Position Statement is attached to this report as Appendix A. It captures some of the key the 'day to day' work by the council that supports the delivery of this strategic priority. This was captured to ensure we understand what our current baseline is for delivering this priority, and to recognise how staff across the authority have a role in delivering Vision 2020.

5. Economic Growth Project Monitoring Table (Appendix B)

- 5.1 This provides an overview of the main projects that are being delivered in the second phase of this strategic priority, and is attached to this report as Appendix B.
- 5.2 There are 13 projects and programmes of work covered in Appendix B which represent the first of a two-year programme.
- 5.3 Over the last year there have been some key achievements in respect of these strategic priority projects:

The Transport Hub

- The 1000 space multi storey car park opened, the first few floors ahead of schedule in November 2017 to meet demand over the Christmas period.
- The bus station became operational in January 2018, accommodating around 650 departures per day.
- The public realm has been transformed to create a fantastic gateway arrival point to the city.
- Stagecoach invested £3 million in new buses and service improvements.

Western Growth Corridor Development

- A programme of public consultation was undertaken over several months from June until November 2017 with the Council's response published in July 2018.
- Traffic modelling archaeological and ecological survey evidence has been completed in readiness for submission of a Planning Permission application targeted for January/February 2019.
- Homes England have offered grant funding following a successful bid through the Local Authority Accelerated Construction Fund of £1.88M to support infrastructure works of £2.2M as part of phase 1 delivery.

Lincoln Central Market

- The Central Market's 80th anniversary was celebrated in May 2018 with a Mayoral event organised in conjunction with the market traders.
- An independent market appraisal has been undertaken on behalf of the council by the National Association of British Markets (NAMBA) and proposals are being prepared for a decision later in 2018.

Infrastructure Development

- Lincoln Eastern Bypass works commenced in June 2017 and is due for completion in spring 2020.
- A Transport Task Group has been established by the MP with key stakeholders to drive a partnership approach in the delivery of a fit for purpose multi-modal network.

Greyfriars

- The development of a Heritage Lottery bid is being progressed that will see this important building brought back into use after years of non-use.

Promotion of Lincoln

- A successful Growth Conference was held in March 2017 attended by 150 stakeholders. Themed 'Proud to be Lincoln' attendees reflected on the successes within the City over the 18 months and pipeline developments, including the Cornhill redevelopment, the expansion of the Universities, the Cathedral Connected Project and the continued progress in marketing Lincoln as a fantastic visitor and investor destination.

5.4 The 13 projects in Appendix B, exclude those completed 2017, namely; the Sincil Street Place Shaping Strategy, completed and launched June 2017 and; the Public Realm Strategy, endorsed by Committee August 2017 and published October 2017. Seven of the projects are flagged as green as they are on track with all their delivery measures.

5.5 Amber projects – these have experienced delays against their original programme but issues are either being addressed with confidence that they will be resolved or their delay is not expected to have a detrimental consequence:

- Western Growth Corridor. This is a large and complex project. It has been red when a number of key issues emerged that threatened delivery of the project. These issues are being resolved and there is confidence that the project can now progress against the revised targeted timescale. This project is monitored by its own Project Board chaired by the Council's Chief Executive;
- Markets. Progress has been at a slower pace than originally intended. Development proposals are currently being prepared for an Executive decision later this year; and
- Business Growth and Support Strategy. This project is currently on hold due to staff capacity.

5.6 Year 2 projects in development are;

- Waterside East;
- Retail Assessment; and
- Creative industries feasibility study.

6. Contextual Performance Indicators (Appendix C)

- 6.1 This summarises performance against key economic indicators based on the targets and forecasts outlined in the Central Lincolnshire Economic Needs Assessment (ENA) 2015. This assessment reviewed a series of indicators across the Labour Market, Employment Sectors, Business Type, Business accommodation/commercial property market, and future demand trends to estimate growth expectations for the plan period 2012-2036.
- 6.2 While reporting on an administrative District basis the high level of economic independency and containment between the three Districts' economies that make up Central Lincolnshire needs to be acknowledged
- 6.3 Overall the ENA forecast a job growth rate of 7% for Lincoln and 11% for Central Lincolnshire over the Plan period 2012-2036 based on Oxford Economics forecast model. These growth rates were used as the basis for setting the employment land and housing need within the Plan. The ENA also identifies that performance against these measures depends on a range of global and national economic conditions.
- 6.4 Table 1 shows that Jobs growth has increased in Lincoln since 2012 above the predicted ENA rate. For Central Lincolnshire however the indication is that the rate of growth is marginally below that predicted. This is not necessary alarming as the ENA identified a likely slower job growth in the early years as the economy recovers from recession.
- 6.5 The table also shows a minor negative change in the employment rate and inactivity rates. With regard to the latter this can be attributed to fluctuations in the long term sickness rates, 28% in 12/13 and 36% in 17/18, against a constant national figure of around 21% for the same period.
- 6.6 Table 2 in Appendix C summarises progress against the key sector indicator forecasts and presumptions outlined in the ENA.
- 6.7 Actual losses and gains between 2015 and 2016 which are as, or better than, the ENA predictions are flagged green in the table. Those losses or gains that are worse than ENA predictions are flagged amber. Given the early stage in the Plan period and that some fluctuation in ENA targets/predictions can be expected, no changes are yet felt to be flagged as a concern or Red.
- 6.8 Job changes in high employment sectors or those targeted as key to future economic growth that are as or better than predicted (Green), are:
- Manufacturing and Utilities that are below the predicted loss rate.
 - Food and accommodation sector is showing greater growth than forecast.
- 6.9 Job changes in high employment sectors or those targeted as key to future economic growth that are worse than predicted but still at an acceptable level given the timeframe and nature of the measures (Amber), are;
- Slower growth than forecast in Professional scientific and Arts and

Entertainment technical activities

- Financial and insurance losses are greater than predicted
- No growth as forecasted, is currently shown in Construction and Human Health sectors and retail.
- An actual decrease against a forecast increase in Info and Comms, real estate and 'other' sectors.

6.10 These changes should be viewed in the context of an overall net job growth that is on target. The ENA identified job growth change by sector forecast to be a net gain of 3162 new jobs over 24 years which equates to 132 jobs pa, the 15-16 data shows growth above this at 290 new jobs.

7. Strategic Priorities

7.1 Let's drive economic growth

This report supports the economic growth priority.

8. Organisational Impacts

8.1 Finance (including whole life costs where applicable)

The financial costs shown against priority projects outlined in Appendix B are all as agreed through Project Boards and or capital programme.

8.2 Legal Implications including Procurement Rules

All project development outlined in Appendix B is in compliance with eh Council's procurement rules and procedures

8.3 Equality, Diversity & Human Rights (including the outcome of the EA attached, if required).

There are no significant equality community impacts or corporate health and safety implications expected for the recommendations outlined in this report

9. Recommendation

9.1 Performance Scrutiny Committee is asked to consider the progress report of the Remarkable Place Vision Group and refer to Executive.

Is this a key decision? No

Do the exempt information categories apply? No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply? No

How many appendices does the report contain? Three

List of Background Papers: None

Lead Officer: Kate Ellis, Director of Major Developments

Telephone (01522) 873824